

Sens. Johnny Isakson (R-GA), Kay Hagan (D-NC) and Mary Landrieu (D-LA), and Reps. **John Campbell (R-CA)**

and Brad Sherman (D-CA) have jointly announced that they will host a news conference on Wednesday, June 22 at 10:00 a.m. to call on federal regulators to revise their proposed 20 percent downpayment requirement for qualified residential mortgages (QRMs). The lawmakers will reiterate that the proposed rule would shut out responsible homebuyers and further cripple the housing market. Federal regulators have extended the comment period for their proposed 20 percent downpayment rule until Aug. 1, 2011.

The lawmakers will be joined at the conference by the “Coalition for Sensible Housing Policy,” which is comprised of more than 40 consumer and industry groups that are united in opposing the proposed 20 percent downpayment rule and that share the goal of giving American families access to affordable mortgages. Members of the coalition include the American Bankers Association (ABA), Center for Responsible Lending (CRL), Community Mortgage Banking Project, Consumer Federation of America, Mortgage Bankers Association (MBA), Mortgage Insurance Companies of America (MICA), National Association for the Advancement of Colored People (NAACP), National Association of Federal Credit Unions, National Association of Home Builders (NAHB), National Association of Realtors (NAR), National Fair Housing Alliance, National NeighborWorks Association and the National Urban League.

The three senators have called on regulators several times to revise the proposed 20 percent downpayment requirement, insisting that the regulators did not follow the senators’ legislative intent and explicit recommendations to require a sensible downpayment. In March, the lawmakers led a bipartisan group of 39 senators in writing a letter urging federal regulators to avoid restricting credit to middle class families working to own a home.

Isakson, Hagan and Landrieu worked together to include a provision exempting QRMs from a requirement in the Dodd-Frank Act that requires originators to retain at least a five percent interest in loan pools, known as “risk retention,” sold to investors. Their legislation was intended to ensure that highly qualified homebuyers have access to affordable home loans.